Iowa Legislative Fiscal Bureau

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Foster Care Caseloads Continue To Decrease

ISSUE

Group foster care populations were capped effective July 1, 1992, and courts were prohibited from ordering out-of-home placements that would exceed these caps. This document provides updated information concerning the number of children in group foster care.

AFFECTED AGENCIES

The Department of Human Services (DHS)

The Judicial Department

CODE AUTHORITY

House File 2480 (the Child Welfare Statutory Bill) approved by the 1992 General Assembly, requires the General Assembly to annually establish statewide targets for the number of group foster care placements paid by the State.

BACKGROUND

The legislatively imposed cap on group foster care populations in FY 1993 was 1,405 children. The average group care population during FY 1993 was 1,312. In FY 1993 there was discussion concerning the possible adverse impact of the cap upon the quality of child welfare services. The cap was reduced to 1,350 children for FY 1994, and additional funds were appropriated for alternatives to out-of-home placements.

CURRENT SITUATION

The number of children in group foster care has continued to substantially decrease. In August 1992 there were 1,493 children in group foster care. A year later this number had decreased to 1,039 children, a decrease of 454 children (30.4%).

The number of beds allocated to ion in each of the 5 DHS regions, were:

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each region, and the actual August 1	993 populat
	% of

	Target	August	Difference	Target
Sioux City	244	187	-57	76.6
Waterloo	239	161	-78	67.4
Des Moines	304	226	-78	74.3
Council Bluffs	141	104	-37	73.8
Cedar Rapids	422	361	-61	85.6
Total	1,350	1,039	-311	77.0

The General Assembly has been concerned about the number of out-of-state placements, and has directed the DHS to reduce the number of children in these placements. The number of out-of-state group placements has substantially decreased. On September 30, 1992, there were 240 children in out-of-state placements. A year later this number had decreased to 77 children, a decrease of 163 children (67.9%).

BUDGET IMPACT

Although the cost of keeping a child in group foster care varies by type and intensity of service, the average annual cost is approximately \$34,000. The reduction in group foster care populations that has occurred the last 12 months has reduced annual foster care expenditures by approximately \$15,000,000, of which approximately 10% is paid for with federal funds.

The FY 1995 DHS budget request submitted to the Governor assumes a group foster care population of 1,350. If the actual population is expected to be significantly less, the General Assembly may want to consider reducing the Child and Family Services appropriation for group foster care to reflect the projected actual level. This would make funds available either for other child welfare services (such as expanded services for delinquents) or other State programs.

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